



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

Testimony of the Connecticut Insurance Department Before The Select Committee on Aging

Thursday, February 19th, 2009

Raised Bill 5675: An Act Concerning the Communication of a Specialty Certification or Training in Advising Senior Citizens

The Connecticut Insurance Department would like to offer the following comments on Raised Bill 5675-An Act Concerning the Communication of a Specialty Certification or Training in Advising Senior Citizens. The Department applauds the effort at dealing with the growing issue of marketing and sales activity related to the use of senior-specific certifications and professional designations in the sale of various financial products, including life insurance and annuities to seniors.

It is important that Committee members are aware that the National Association of Insurance Commissioners (NAIC) adopted a model regulation in September 2008 on Senior-Specific Certifications and Professional Designations in the Sale of Life Insurance and Annuities. That model act tracks a model that was adopted by the North American Securities Administrators Association. A wide variety of constituencies reviewed and commented on the NAIC drafts including consumer groups, securities regulators and insurance industry groups.

The Connecticut Insurance Department would like to take this opportunity to raise concerns about Raised Bill 5675, as currently drafted. First, we believe uniform language with the NAIC model, which is being introduced throughout the nation and also tracks a securities model, would be beneficial to consumers and regulators. We also concerned that there could be confusing jurisdiction, since annuities are included as part of Raised Bill 5675, and enforcement would be through the Connecticut Unfair Practices Act (CUTPA). We recommend that jurisdiction over life insurance and annuity products be clearly established with the Connecticut Insurance Department under Title 38a..

The Insurance Department welcomes the opportunity to work with the bill's proponents so that a strong unambiguous bill can be enacted to protect Connecticut's senior citizens.